GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1958
ANSWERED ON:26.07.2002
MERGER OF RRBS
BASUDEB ACHARIA;VIRENDRA KUMAR

Will the Minister of FINANCE be pleased to state:

(a) whether the recommendations of the Working Group on Amendment ofRRB Act, 1976 with regard to the merger of Regional Rural Banks is under the active consideration of the Government;

(b) if so, the details thereof;

(c) whether the Government have identified the RRBs in the country which are running into losses;

(d) the names of such RRBs;

(e) whether the Government are also considering the execution of revival plan for loss making RRBs; and

(f) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANT G. GEETE)

(a) & (b): The Working Group constituted by Government to review the Regional Rural Banks Act, 1976 is yet to submit its report.

(c) & (d) : National Bank for Agriculture & Rural Development (NABARD) has reported that 26 RRBs have incurred losses as on 31 sl March, 2001. A statement showing the loss making RRBs is annexed.

(e) & (f) The Government has advised the sponsor banks to evolve strategic plans for revival of loss making RRBs. Several policy changes have also been initiated to facilitate strengthening and revitalization of RRBs which inter-alia include recapitalisation, introduction of Development Action Plan and Memoranda of Understanding on an annualbasis for bringing improvement in the performance of the RRBs in a planned way, introduction of prudential no~ covering income recognition, assets classification and provisioning norms, diversification of business portfolio and activities etc.

Annexure
Name of the loss maldn!! Re!!ionalRural Banks as on 31st March,2001.

1 Ellaquai Dehati Bank

2 Marudhar Kshetriya Gramin bank

3 Arvali Kshetriya Gramin bank

4 Mewar Anchalik Gramin Bank

5 Arunachal Gramin Bank

6 Langpi Dehangi Rual Bank

7 Ianipur Rural Bank

8 Tripura Gramin Bank

9 Champaran Kshetriya Gramin Bank

10 Monghyr Kshetriya Gramin bak

11 Nalanda Gramin bank

12 Saran Kshetriya Gramin Bank

13 Ranchi Kshetriya Gramin Bank

14 Puri Gramya Bank

15 Bolangir Anchalik Gramin bank

16 Cuttack Gramya Bank

17 Balasore Gramya Bank

18 Bilaspur Raipur Kshetriya Gramin bank

19 Bastar Kshetriya Gramin bank

20 Jhabua Dhar Kshetriya Gramin bank

21 Nimar Kshetriya Gramin bank

22 Shahdol Kshetriya Gramin bank

23 Mahakaushal kshetriya Gramin bank

24 Kshetriya Kisan Gramin Bank

25 Rani Lakshmi Bai Kshetriya Graniin bank

26 Bhandara Gramin Bank